



## 2022-23 Proposed Budget Narrative

### Board of Directors Meeting

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#### 2022-23 Proposed Budget Narrative

	Net Income (GAAP)	Projected Beginning Fund Balance	Projected Ending Fund Balance
Gilroy Prep School (GPS)	361K	2.1M	2.4M
Hollister Prep School (HPS)	129K	2.0M	2.1M
Watsonville Prep School (WPS)	81K	700K	800K
Charter Management Organization (CMO)	-281K	2.8M	2.5M
<b>Total</b>	290K	7.6M	7.9M

- GPS Proposed Budget

- Using the latest Fiscal Crisis & Management Assistance Team (FCMAT) calculator for Local Control Funding Formula (LCFF) revenue for 540 students, which includes a COLA increase of 5.33%
- ESSER II & III funding in the amount of \$500,000 has been added into the revenue
- Includes 5% COLA increase for salaries
- CalSTRS rate increase to 18.2% from 16.92%
- Support Office management fee of 14% of LCFF

- HPS Proposed Budget

- Using the latest Fiscal Crisis & Management Assistance Team (FCMAT) calculator for Local Control Funding Formula (LCFF) revenue for 540 students, which includes a COLA increase of 5.33%
- ESSER II & III funding in the amount of \$630,000 has been added into the revenue
- Includes 5% COLA increase for salaries
- CalSTRS rate increase to 18.2% from 16.92%
- Support Office management fee of 14% of LCFF



- WPS Proposed Budget
  - Using the latest Fiscal Crisis & Management Assistance Team (FCMAT) calculator for Local Control Funding Formula (LCFF) revenue for 385 students, which includes a COLA increase of 5.33%
  - ESSER II & III funding in the amount of \$200,000 has been added into the revenue
  - Donations & Grants total of \$100,000 compared to \$200,500 from 2021-22
  - Includes 5% COLA increase for salaries
  - CalSTRS rate increase to 18.2% from 16.92%
  - Support Office management fee of 14% of LCFF
  - Annual increase in rent per long-term lease, partially offset by increase in SB 740 rent reimbursement revenue resulting from increased enrollment
  
- CMO Proposed Budget
  - Donations & Grants total is \$750,000 compared to \$500,000 from 2021-22 which includes \$200,000 in new funding for Model Providing
  - 2021-22. Management fees are as follows:
    - HPS - 14%
    - GPS - 14%
    - WPS - 14%
  - Includes 5% COLA increase for salaries
  - CalSTRS rate increase to 18.2% from 16.92%
  - The negative net income is based on the following:
    - Utilizing \$160,000 fund balance reserves from grants received in 2021-22 and prior years for Model Providing to address priorities in this program, including professional development and marketing
    - Allocating \$163,000 from the healthy CMO fund balance reserves to add an administrator-on-special assignment to support leadership transitions, SEL program implementation, and curriculum development support

Navigator Schools - 2022-23 Preliminary Budget															
				GPS			HPS			WPS			CMO		
	Total 2022-23	Board Approved	\$ Change	Prelim Budget	Board Approved	\$ Change	Prelim Budget	Board Approved	% Change	Prelim Budget	Board Approved	% Change	Prelim Budget	Board Approved	\$ Change
	Prelim Budget	Budget		Prelim Budget	Budget		Prelim Budget	Budget		Prelim Budget	Budget		Prelim Budget	Budget	
	2022-23	2021-22		2022-23	2021-22		2022-23	2021-22		2022-23	2021-22		2022-23	2021-22	
<i>Enrollment Projection</i>	1465	1395		540	540	0.00%	540	540	0	385	315				
<b>REVENUE:</b>															
LCFF Revenue	15,352,796	13,469,729	\$1,883,067	5,431,034	4,940,034	\$491,000	5,439,539	5,012,919	\$426,620	4,482,223	3,516,776	\$965,447.00	0	0	
Federal Revenue	2,416,123	1,960,415	\$455,708	928,541	670,334	\$258,207	926,091	680,481	\$245,610	561,492	609,600	-\$48,108.00	0	0	
Other State Revenue	1,701,623	2,761,254	-\$1,059,631	488,215	968,992	-\$480,777	471,780	964,555	-\$492,775	741,627	827,707	-\$86,079.84	0	0	
Donations & Grants	865,000	715,500	\$149,500	7,500	7,500	\$0	7,500	7,500	\$0	100,000	200,500	-\$100,500.00	750,000	500,000	\$250,000
Other Revenue	78,178	110,929	-\$32,751	23,878	48,729	-\$24,851	20,000	20,000	\$0	7,300	15,200	-\$7,900.00	27,000	27,000	\$0
CMO Management Fees	2,149,391	2,072,137	\$77,254						\$0				2,149,391	2,072,137	\$77,254
<b>REVENUE</b>	<b>22,563,112</b>	<b>21,089,964</b>	<b>\$1,473,148</b>	<b>6,879,168</b>	<b>6,635,589</b>	<b>\$0</b>	<b>6,864,910</b>	<b>6,685,455</b>	<b>\$179,455</b>	<b>5,892,642</b>	<b>5,169,783</b>	<b>\$722,859.16</b>	<b>2,926,391</b>	<b>2,599,137</b>	<b>\$327,254</b>
<b>EXPENDITURES:</b>															
Salaries	12,525,732	10,932,834	\$1,592,898	3,650,002	3,500,463	\$149,539	3,822,726	3,532,404	\$290,322	2,939,358	2,390,528	\$548,830.00	2,113,646	1,509,439	\$604,207
Benefits & Taxes	3,327,664	2,809,085	\$518,579	986,480	854,713	\$131,767	965,974	844,437	\$121,537	800,669	651,695	\$148,974.00	574,540	458,240	\$116,300
Books & Supplies	1,042,611	1,243,740	-\$201,129	400,846	554,750	-\$153,904	269,115	382,850	-\$113,735	340,750	227,740	\$113,010.00	31,900	31,900	\$0
Services & Other Operating Expenses	3,228,378	3,245,328	-\$16,950	720,012	780,212	-\$60,200	916,566	939,918	-\$23,352	1,103,535	1,144,152	-\$40,617.43	488,265	381,046	\$107,219
CMO Management Fees	2,149,391	2,072,138	\$77,253	760,345	772,605	-\$12,260	761,535	782,809	-\$21,273	627,511	516,724	\$110,787.22	0	0	\$0
Capital Outlay	0	0	\$0	0	0	\$0	0	0	\$0	0	0	\$0.00	0	0	\$0
<b>EXPENDITURES</b>	<b>22,273,776</b>	<b>20,303,125</b>	<b>\$1,970,651</b>	<b>6,517,685</b>	<b>6,462,743</b>	<b>\$54,942</b>	<b>6,735,917</b>	<b>6,482,418</b>	<b>\$253,500</b>	<b>5,811,823</b>	<b>4,930,839</b>	<b>\$880,983.79</b>	<b>3,208,351</b>	<b>2,380,625</b>	<b>\$827,726</b>
<b>REVENUE LESS EXPENDITURES</b>	<b>289,336</b>	<b>786,839</b>		<b>361,483</b>	<b>172,846</b>		<b>128,993</b>	<b>203,037</b>		<b>80,819</b>	<b>238,944</b>		<b>-281,960</b>	<b>218,512</b>	
Beginning Fund Balance	7,567,989			2,056,307			2,012,549			698,417			2,800,716		
Ending Fund Balance	7,857,325			2,417,790			2,141,542			779,236			2,518,756		